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GERMANS REPULSE FIRST SOVIET PUSH ON FRANKFURT AREA

Deeper Penetration by Red Armies in East Prussia Is Reported

Domei

BERLIN, February 2.—No essential progress was made by the Soviet avalanch during the past 24 hours but definite battle areas have developed, one in the Oder-Warthe bend and the other in Silesia.

Although between the High Tatra and the Oder bend at Gruenberg only local encounters were fought in which Marshal Konicv lost 33 tanks, in the Oder-Warthe bend strong forces were brought up by Marshal Zhukov to the Oder on both sides of Frankfurt and northwest of Kuestrin. This push, however, was effectively repulsed.

Fierce Soviet attacks continued in southern Pommerania in West Prussia and in East Prussia but the only change in the situation was the effecting of deeper penetrations in East Prussia. In West Prussia, Marshal Konstantin Rokossovski attacked with several infantry divisions and numerous tanks southwest of Graudenz, but the assault was checked by the Germans.

Meanwhile, no German confirmation was forthcoming in regard to the Moscow claim that Torun had been captured.

The continuing thaw, with the thermometer registering a rise of several degrees, was having its effect on the situation, particularly in Silesia. Should the thaw continue, Marshal Zhukov, who is lining up his forces for the battle for Berlin and Stettin, will be placed in a difficult position, since the ice on the Oder will break and turn the river into a real defense line. Should the ice on the Oder break, the river barrier cannot be overcome by tanks and artillery without the establishment of real bridgeheads.

Like Posen, Schneidemuehl too was now burning. The garrisons of both cities during the past 24 hours withstood fierce Soviet onslaughts which were supported by strong artillery fire. North of Schneidemuehl, Soviet attacks were smashed in the southern part of Pommerania at Deutsche Krone and Jastrow.

Fighting of extremely fierce nature was reported from the Marienburg and Elbing sectors. In East Prussia, fighting continued in the previous focal points. Although the Soviets made several deep breaches they were prevented from breaking through by furious German resistance. The Germans were fighting with terrible fury and effectiveness despite the fact that they were numerically far inferior to the Soviets. No detailed reports were available in respect to Koenigsberg.

Locally limited fighting in Silesia took place south of Pless, north of Ratibor, northwest of Brieg and in the area on both sides of Steinau. Marshal Konicv's forces were either checked after having made minor territorial gains or were beaten back in counterattacks.

Battle on Oder Stressed

Domei

BERLIN, February 2.—The first stage of the winter battle in the east after three weeks of the Soviet offensive is approaching its end in the opinion of Berlin military quarters. These quarters said that in a gigantic assault the Soviets had succeeded in reaching the larger portion of the Oder and that at the beginning of the month it can be said that the Oder line, in the widest sense of the word, has become the barrage for intercepting the Soviet armies.

The battle for the Oder, which, in its extent is the longest battle of all times along a river, stands in the center of events. It was emphasized in Berlin that the climax to this battle had not yet been reached and that it would not be reached as long as the German main reserves had not joined the decisive struggle. The situation between Kuestrin and Frankfurt on the Oder, a military spokesman said, is characterized by the attempt by Soviet assault formations to move closer to the Oder in order to carry through regrouping operations there.

The Soviets apparently plan to launch a new offensive from there on the lines of a prepared plan. Kuestrin and Frankfurt on the Oder, therefore, must be the next objectives of the Soviets.

Military quarters here said that the general activity of the Luftwaffe in the past few days had led to a noteworthy alleviation of the situation along the entire front. The change of weather which took place along the whole front also helped to slow down considerable the initial pace of the Soviet offensive and at some points brought about the stabilization of the front.

Germans Break Encirclement

Domei

BERLIN Feruary 2.—The German garrison of the fortress of Thorn has broken through the Soviet encirclement, according to reports thus far unconfirmed officially. This information was given by the German military spokesman at noon today. According to his reports the German garrison broke through toward the northwest in the direction of the Vistula.

HEAVY FIGHTING RAGES ALONG MONSCHAU FRONT

Breakthrough Attempts by 1st And 3rd U.S. Armies Are Frustrated

Domei

BERLIN, February 2.—The Monschau-St. Vith area was again the gravity center of the fighting on the Western front on Thursday. Fierce fighting was also reported from upper Alsace. Breakthrough attempts by the First and Third American armies and De Gaullist formations were frustrated by the German forces. The enemy lost 19 tanks, according to reports available so far. No fighting worth mentioning took place in the Netherlands and at the Roer.

North and south of Monschau, the fighting increased in fierceness. The Americans—the First army and part of the Third—made several breaches but these were quickly sealed off, for example at Buchholz and Happenbroich, northwest of Monschau. Fighting continued last night at the village of Losheim, 18 kilometers southeast of Malmedy.

Southeast of St. Vith, the Germans withdrew to new positions where they checked American thrusts in the direction of Gross Langenfels, Elgelscheid and Herkhalenfeld. The Americans suffered high losses in front of the German lines.

Southeast of Sarregeminos, the Germans smashed the attacks of General Patch's Seventh American army near Woelfingen and west of Hagenau. Violent fluctuating street fighting was still going on in Obernhofen, north of Bischweiler. In upper Alsace, German troops on either side of Markelsheim withdrew to shortened lines without enemy pressure.

De Gaullist attacks against these newly occupied positions led to minor penetrations after bitterly fierce fighting near Markelsheim at the Rhine-Rhone canal and east of Grussenheim as well as east of Colmar near Hornberg, Adelsheim and Wisensolen.

De Gaullist attacks on Hausen and near Zell, northwest of Colmar, as well as on either side of Sennheim and south of Pulversheim collapsed in face of concentric German defensive fire. Heavy losses were inflicted on the attackers.

U.S. DRAFT BILL PASSED

Approved by House of Representatives and Sent to Senate

Domei

LISBON, February 2.—The House yesterday passed the May Labor Draft Bill by a 246 to 165 roll call vote. The measure, passed in exactly the same form that it was introduced, will affect an estimated 18,000,000 between the ages of 18 and 45, including veterans and those deferred from the armed forces for any reason, according to a Washington report.

The bill gives local draft boards the power to order a man to keep his war supporting job and also to order a man to work in a designated industry, if the board determines that this services are needed more there than in his present job. The drafted workers would have the benefit of the Soldiers' Relief Act and would be given a right of appeal. The bill now goes to the Senate.

Meanwhile, an AP report said that there is a strong movement in the Senate to take the power out of the supervision of the Draft Board and put it into the hands of some federal agency such as the War Manpower Commission.

U.S. Boosting Ties with Chiang

Special to the Nippon Times

LISBON, February 2.—The U.S. State Department has taken step to strengthen its official representation in Chungking in recognition of the vital importance of relation with China, declared Joseph Grew, U.S. Undersecretary of State, today, according to a Washington report.

ANTI-AXIS WAR COSTS SOAR

$500,000,000,000 So Far Estimated Spent by U.S., Britain, Soviets

Special to the Nippon Times

LISBON, February 1.—The war has so far cost the anti-Axis about $500,000,000,000—more than $230,000,000,000 for the United States, $100,000,000,000 for the Soviet Union, $96,000,000,000 for Britain, and $17,000,000,000 for the British Dominions, according to calculations made by the U.S. Department of Commerce, the News Chronicle's Washington correspondent reports. It was further revealed that Germany's war expenses are estimated at about $128,000,000,000.

BELGIAN CRISIS WORSENS AS FIVE MINISTERS QUIT

Socialists in Pierlot Cabinet Resign But Later Agree to Constitutional Course

Domei

LISBON, February 2.—The week long latent Belgian Cabinet crisis became acute today with the resignation of five Socialist ministers of the Pierlot Cabinet, a Brussels report revealed. Pemier Hubert Pierlot was with Prince Regent Charles this morning and submitted the resignation of the whole Cabinet. Prince Charles accepted it and asked Pierlot to stay in office until a new Cabinet was formed.

The names of the five Socialist Ministers are: Foreign Minister Paul Henri Spaak, Labor Minister Achille Van Acker, who is also President of the National Committee of the Belgian Socialist Party, Transportation Minister Ernest Rongvaux, Public Works Minister Herman Vos and Food Minister Leon Delsinne.

A Reuter report later said that the Pierlot Cabinet would stand or fall by the decision of the Belgian Parliament to be taken under a full dress debate next Tuesday. This report said that Pierlot met his Cabinet today and that as result the Socialist ministers agreed to follow the constitutional course and withdraw their resignations in accordance with the decision of the Socialist Party.

Crisis in Belgium

Special to the Nippon Times

STOCKHOLM, February 2.—Political crisis is now at its height in Belgium for the Socialist Party has called on its five ministers in the Pierlot Government to resign in a protest against the Government's handling of the coal and food situation as well as against its attitude toward the collaborationists, according to a Brussels report.

Robert Donat, BBC correspondent, said that Premier Hubert Pierlot has refused the Socialist demand to reshuffle his Cabinet. Pierlot conferred with the Prince Regent today and later called a meeting of the ministers. Afterwards, it was announced that the Premier had asked the Socialists to observe constitutional principles so that the Government can get an extra motion in the House. The Socialists agreed to this and as the result the Government will go before the House of Representatives on Tuesday and answer the allegations made against it to decide the fate of the Government.

Donat said that the seven out of the eight of this morning's papers published in Brussels approved the Socialist action and demanded a new Government for Belgium.

EAM HOLDING PEACE TALKS

2 ELAS Men Given Death Penalty For Murder and Violence

Special to the Nippon Times

ZURICH, February 2.—Joint consultations are continuing between the Greek Government and the EAM for the arrangement of peace talks, according to an Athens report.

Meanwhile, a death sentence was passed on two of the ELAS men brought to trial before the military court in Athens on charges of murder and violence during the recent fighting.

It was also reported that four EAM labor delegates are reported to have issued a decree after a recent discussion of EAM labor leaders and have threatened to leave the movement. They said that they will withdraw from the EAM unless they showed more readiness for conciliation.

Denies Pearson's Report

Domei

LISBON, February 1.—The British Embassy in Washington today denied as completely unfounded the report by Drew Pearson, American columnist, that when Indian troops were ordered to fire upon the ELAS forces in Salonika they refused to do so.

12 ARMY HEROES HONORED FOR FEATS IN HONAN AREA

Took Part in Reduction of Loyang; Infantry Company, Cavalry Unit Also Cited

The issuance of four citations by the Army Commander to the Suzuki Infantry Company, Special Sergeant Major Mutsuji Amada and five other soldiers, Special Sergeant Major Iyao Ogasawara and five other heroes, as well as the Koike Cavalry Unit for their great exploits in the Honan operations in the spring of 1944 has now been brought to the knowledge of His Majesty the Emperor, it was announced by the War Ministry on Saturday.

The War Ministry's announcement follows:

"The Suzuki Infantry Company.

"Under the able command of Captain Yasusaburo Suzuki the above fought valiantly and achieved great results.

"On May 5, 1944, the Suzuki Infantry Company in a surprise attack occupied Yangkoutsai, and on the following two days the officers and men of the company united as one body continued their attack and reduced a nearby hill position. In this engagement, the Company Commander and all the officers were either killed or wounded.

"In the operation for the reduction of Loyang on May 24, the company together with a shock unit headed by Special Sergeant Major Amada dashed into the northwestern corner of the walled town in defiance of severe enemy gunfire, and contributed greatly toward the reduction of Loyang.

"Special Sergeant Major Mutsuji Amada

"Sergeant Kaname Aihara

"Lance Corporal Shigeru Inoue

"Superior Private Manzo Morikami

"Second Class Private Konosuke Furuta

"Second Class Private Shojiro Sunaga

"The above volunteered to serve as the first attack unit for the operations against the northwestern corner of the walled town of Loyang at the time of its occupation on May 24, 1944. Special Sergeant Major Amada headed this unit and penetrated the enemy entrenched outside the town despite the severe defensive gunfire. Although an enemy bullet had pierced his right arm, he climbed the wall by means of a ladder put up by a comrade engineering unit. Then, he dashed into the midst of the enemy and was wounded again in his right thigh by a hand grenade. Sergeant Aihara was killed in action but Lance Corporal Inoue and three other soldiers continued to follow Special Sergeant Major Amada and reduced the enemy position. Thus, they facilitated the operations to reduce Loyang.

"Special Sergeant Major Iyao Ogasawara

"Sergeant Kenji Terashima

"Lance Corporal Yoshimichi Kato

"Superior Private Eigi Kawashima

"Second Class Private Eizo Koitabashi

"Second Class Private Masatomo Horii

"In the general attack on Loyang, the above together with infantry units under the protection of artillery and tank forces speedily advanced to the enemy's trench positions outside the walled town. Special Sergeant Major Ogasawara and Sergeant Terashima scouted the enemy position amid a hail of bullets. Lance Corporal Kato and three other soldiers crept forward carrying ladders but Lance Corporal Kato was severely wounded by the enemy's converging fire. Together with Sergeant Terashima, Lance Corporal Kato managed to put one ladder against the enemy's walled position, but he was hit by gunfire and met a heroic death.

"Superior Private Kawashima and and Second Class Private Koitabashi placed the second ladder in position but the latter was killed. Although Superior Private Kawashima was wounded, together with Second Class Private Horii he managed to place another ladder against the enemy position. In this manner the above facilitated the operations of their comrade infantry units who entered Loyang.

"The Koike Cavalry Unit.

"Commanded by Colonel Masaji Koike the above surprise-attacked the main body of the enemy's 13th Army, which was fleeing from the Loyang Plain following its defeat in the Honan operations in May, 1944, at a point on the right bank of the Lo River.

"Although casualties were mounting and the Unit Commander, Colonel Koike, was wounded, the unit repeatedly attacked and annihilated the enemy forces. Driving on in a hot chase and reducing enemy positions at every point, the unit succeeded in cutting off the retreat route of the main body of the enemy forces in the First War Zone and achieved other brilliant war results."

73 Negro Doughboys Charged With Mutiny In Hawaii Sentenced

Special to the Nippon Times

LISBON, February 2.—Seventy-three Negro soldiers of the United States armed forces in Honolulu have been sentenced by court martial charged with mutiny and were given sentences ranging from eight to 30 years in prison, according to a Honolulu report. The Negroes refused to work on airfields at the island of Oahu. It was said that it was the first case of mutiny in the Pacific area since the start of the war.

REDUCTION OF NANYUNG BY JAPANESE IMMINENT

Occupation of Base Will Enable Attack on Enemy Airfields in Suichwan-Kanchow Area

By I. ISODA and O. OKUBO
Of the Military Press Corps

CANTON-HANKOW FRONT, February 1.—The South and North Units of the China Expeditionary Army, which have joined north of Shaokwan, have all of a sudden turned to make a thrust at Nanyung, which is 100 kilometers east of the Canton-Hankow Railway, and of the group of enemy airfields in the Suichwan-Kanchow area, and by the pace of their advance the occupation of this enemy base is considered a matter of hours.

The action of the South and North Units, which is clearly intended to respond to the forces which have captured the Suichwan airfield, completed the structure permitting the Japanese to attack the airfields that the enemy is left in possession of in the Suichwan-Kanchow area on both sides with the prospect of capturing all of them at once. The American-Chungking forces in the Kanchow area are already showing signs of deep unrest.

Churchill in Gibraltar

Special to the Nippon Times

STOCKHOLM, February 2.—Prime Minister Winston Churchill arrived in Gibraltar on January 31, according to an unconfirmed report received from London today.

British MP Hits Soviet Treatment of Poles; Declares Stalin Is a Cold-Blooded Realist

Special to the Nippon Times

STOCKHOLM, February 2.—Premier Josef Stalin is a cold-blooded realist, Lieutenant Commander R. T. Bower Conservative Member of Parliament declared recently in his speech denouncing the Soviets for the treatment of the Poles, according to the Svenska, Dagbladet, which quotes a Reuter report from Saltburn-on-the-Sea, Yorkshire.

Bower declared that when Stalin signed a non-aggression pact with Fuehrer Hitler and afterward started to invade East Poland, he acted from the Soviet standpoint of egoistic motive. There is no reason to suppose that his policy has been changed today, the British MP added.

Meanwhile, the Dagens Nyheter gave the following account of Bower's speech:

Very serious accusations against the Russians because of their actions against hundreds and thousands of Poles were made by Bower. He said that the general opinion in Britain had been misled for more than three years. "Everyone of us has been filled with admiration for the gallant fight put up by the Russians." Bower declared, "but this does not mean that we should admire anything they do.

"Russia carries on power politics and the Atlantic Charter has been torn like a piece of paper. How disagreeable it may be, we must openly see the fact that the Russian imperialism of today is showing 'dragon's teeth' in Eastern Europe. If this state of affairs is allowed to continue, I believe that another war will break out within a few years after the present struggle comes to an end."

SOUL STIRRING RALLY HELD FOR P.I. VICTORY

Vargas Hails Japan's Policy of Non-Menace, Non-Aggression In Speech Saturday

Speaking on Saturday before a large and enthusiastic gathering in Hibiya Public Hall which was called to spur the Philippines on to victory, Ambassador Jorge G. Vargas pledged his country to share "one fate and one destiny" with Japan.

The Ambassador praised the Japanese policy of non-menace and non-aggression and lamented the fact that "others should subject us to menace and aggression. The Anglo-American empires in whose affairs we have not sought to interfere, now insist on interfering with us," Ambassador Vargas declared.

His speech, which was delivered under the sponsorship of the Asia Development Headquarters of the Imperial Rule Assistance Association, follows:

Excellencies, Fellow Asians:

I wish our great President Dr. Jose P. Laurel were himself here today to witness this soul-stirring demonstration. I wish he and the other leaders of the Republic of the Philippines could see as I see now your grand inspiring rally. I wish they could feel for themselves this heart-lifting surge of solidarity between our two peoples. These are truly decisive days for our Republic and I know that it would hearten them immensely to be reassured that you, the people of Japan, are standing loyally by us, now as always, in the same steadfast conviction that our two countries, the Empire of Japan and the Republic of the Philippines, share one fate, one destiny.

That was true three years ago when the Imperial Japanese Forces first overthrew American rule in the Philippines. You realized then that Japan could not be safe until the Philippines was free because Japan and the Philippines had one fate, one destiny. That was still true more than one year ago when the Imperial Japanese Government recognized and guaranteed the Republic of the Philippines. You realized then that if the Philippines grew and prospered, Japan too would gain in glory, might, and power because Japan and the Philippines had one fate, one destiny.

And that is all the more true today when the Imperial Japanese Forces are generously hurling the mass of their strength and spirit into the defense of the Republic of the Philippines. You realize that the survival or extinction of the Republic means the rise or fall of the Empire of Japan, because Japan and the Philippines have one fate, one destiny. That is true and I say that it is fortunately, gloriously true.

The Republic of the Philippines is happy and proud to share one fate and one destiny with the Great Japanese Empire, for we know from your history, which has never been stained by a single defeat, and we know from your ideals, which have never been darkened by doubt, that you are destined for sure-victory and just and prosperous peace for ages eternal.

But that destiny, our common destiny, is now at stake. It is being decided in the Philippines. If the Republic of the Philippines should be destroyed, it will mean that the gravest peril of your entire history will endanger your own frontiers. The Republic is your next-door neighbor and if it should be consumed by the flames of war, the conflagration will be at your very doors, at the very front gates of the Empire of Japan. That is why I say that we must stand together now, or fall together.

I like to think that our two countries are neighbors and comrades in one gigantic tonari-gumi, the tonari-gumi of Greater East Asia. We see our beloved homes, the homes that belong to us and to our children and to no one else, threatened with destruction. And we are helping one another to protect our homes because we know that we are stronger and more efficient together than we could ever hope to be separately. All of us East Asians are members of this gigantic tonari-gumi: the Republic of the Philippines, of course, is a member; Manchoukuo is a member; China is a member; Thailand, Burma, Indonesia, India, Malai, all are members; and our leader is the Great Japanese Empire.

Let me say right now that Japan is a great leader, our only possible leader. Japan organized this gigantic tonari-gumi of ours; Japan has performed the most vital and onerous duties, shirking none of the responsibilities and duties of leadership. Japan has undertaken the patrol of the neighborhood, watching by day and by night for all possible dangers, at the cost of heavy sacrifices and the privations of her own people. With industry and self-sacrifice, Japan has supervised the distribution of our rations in this wartime scarcity, and although we may have foolishly complained at times, like all members of ordinary neighborhood associations, we cannot but express our gratitude and admiration to Japan for doing what nobody else among us could have done.

But let us look more closely for a moment at this gigantic tonari-gumi of ours, the tonari-gumi of Greater East Asia. I have said that Japan initiated this gigantic tonari-gumi to protect our homeland, to help ourselves in these wartimes of danger and privation. But there are more enduring and more fundamental reasons for our association. Our gigantic tonari-gumi is designed for peace as well as for defense. It is dedicated not only to helping us through privation but above all to finding and organizing our common prosperity.

In a way we are more than neighbors, helping each other temporarily. We are more like brothers, members of the same family, seeking our common fate, our common destiny, our common fortune. That is more than mere metaphor. Are we not really brothers by race and blood? We eat the same kind of food; we have practically the same habits and customs; we even look alike. I want to ask you frankly: If I were not speaking to you in a different language now, how could you tell that I am a Filipino and not a Japanese?

For myself I would find it hard in almost all cases to say definitely by merely looking at him that this man is a Filipino and that man is a Japanese or that man is a Chinese and this man is a Burmese or a Thai. It is clear even from our very faces that we all should have, and in fact we all have, the same fate, the same destiny, the destiny of all East Asia. This common East Asian race and culture that we share is at the bottom of our association. We are neighbors, yes; but we are more than that, we are brothers; and no man can stand by with his arms folded when his brother is fighting for his life; no man can be happy and content when his brother is poor, starving, and oppressed.

Being brothers and neighbors we have organized ourselves in order to make it easier for us to help one another. The Greater East Asia Joint Declaration has made it clear how we are to help one another and for what purposes. To put it briefly we wish to work together in order to secure a better, a richer, a more fruitful life for each of us. We have pledged to respect and trust one another; like good neighbors and good brothers, we have pledged that each of us shall run his own household in accordance with his own traditions and ideals.

But we have also pledged that in our common affairs we shall assist one another, sharing our knowledge and our skills; sharing our resources and our cultural treasures for the common good and the general progress and welfare. In doing this we do not seek the harm or detriment of the rest of the world. We want to live in peace and harmony with other peoples just as we want to live in peace and harmony among ourselves. Our tonari-gumi in Greater East Asia has no designs on Europe or America. We do not want to interfere in their affairs.

Our policy is the fundamental policy of Japan once more clarified in the present Diet session by both Prime Minister Koiso and Foreign Minister Shigemitsu: the policy of non-menace and non-aggression. It is all the more unjust therefore that others should subject us to menace and aggression; but the Anglo-American empires, in whose affairs we have not sought to interfere, now insist on interfering with us. These same empires who have consistently enforced a system of exclusion in their dominions now demand that we submit to their dictation and intervention.

They call loudly for a policy of the so-called open door; but in their domains they have rudely closed the doors to all East Asians, impudently thinking themselves as superior beings, and considering as East Asians as inferior and undesirable, do you know really why? Because of their haunting fear of East Asian competition in modern ingenuity, skill, and culture!

That is the reason why this war is now continuing, why there is a Battle of the Philippines just as there is a Battle of Burma and a Battle

(Continued on Page 2 Col 1)

NEW LANDING MADE BY YANKEE TROOPS IN LUZON WAR AREA

Sector Near Nasugbu, South of Manila Bay, Is Scene of Fresh U.S. Operations

By Courtesy of the Press Section

Despite the fact that the Japanese Forces are inflicting heavy blows on them, the U.S. troops are now stubbornly attempting to advance southward toward Manila.

Since their landing on Lingayen Bay on January 9 the American forces have been increased in strength and there are now seven to eight divisions in action on the Luzon battlefields. Three divisions of these troops are now attacking the Japanese positions in the mountainous sector east of the Pangasinan Plain while about one division is being massed in the area southeast of the Cabaruan Hills. Another division of enemy troops is operating in the areas east and northeast of the Cabaruan Hills.

Meanwhile, a part of two American divisions has been gradually moving toward the Manila Bay area, and at the end of January the invaders entered San Fernando, about 70 kilometers northwest of Manila. Moreover, the 38th and 24th divisions of the U.S. forces commenced a landing in the sector south of San Narciso as well as on Grande Isle in Subic Bay. On January 31, a part of the U.S. forces also landed in the vicinity of Nasugbu, south of Manila Bay.

After engaging in shock attacks, the Japanese Forces in the area east of the Pagnasinan Plain withdrew from the position extending from San Fabian to the Cabaruan Hills during the latter part of January, and are now locked in battle with the invaders on the line extending from Damortis to San Manuel through the area east of Rosario.

A part of the Japanese Tank Units made a large-scale attack on the night of January 27 on the enemy forces which had advanced to the area northeast of the Cabaruan Hills. There Japanese Tank Forces gained brilliant results.

As revealed by the Imperial Headquarters on Friday, Japanese Forces have inflicted great losses upon the invaders who have already lost about 11,200 men or a strength of about one division in the Lingayen Bay area. In addition, the Japanese destroyed or captured 114 enemy tanks and 71 guns.

The Americans have now started to use the four airfields located at Lingayen, Dagupan, San Fabian, and Manaoaj where about 200 to 300 small planes have been massed.

Despite the fact that the activity of the enemy task forces has decreased, the Americans are still attempting to cut off the Japanese supply line between Japan Proper and the Southern Regions. With this aim in view, the enemy is also using air forces based in the Lingayen Bay area, Leyte, and Mindoro Islands.

On Leyte Island, the Japanese Forces have adjusted their firing line to the area west of the Ormoc Highway and are now continuing to attack the invaders.

U.S. Bares New Landing

Domei

LISBON, February 1.—MacArthur's headquarters announced today that the Americans had landed between San Narciso and San Antonio on the western part of Luzon by the Zambales Sea. The 38th division of the 11th corps of the eighth army and a part of the 24th division of the same army took part in the landing operations. The eighth army is commanded by Lieutenant General Robert L. Eichelberger and the commander of the 24th division is Major General Frederick A. Irving.

SOUL STIRRING RALLY HELD FOR P.I. VICTORY

(Continued From Page 1)

of China; our great tonari-gumi has been forced to defend our homes against unreasonable intrusion and I realize, against an unjust and unjustifiable attempt to burn down our houses over our heads. But I know that we shall never allow this to happen; in the defense of our homeland I know that we East Asians shall prove to be invincible under the leadership of the invincible Japanese Empire; we cannot afford to lose and we shall not lose.

I have just said that I know we shall prove to be invincible in the defense of our homeland and I want to express particularly our confidence in the ability of General Yamashita and the brave officers and men under his superb command who are now actively fighting the Battle of the Philippines.

Fighting with incomparable strategy, skill, gallantry and spirit, against the heaviest of odds, they have already inflicted bloody losses on the American invaders and I do not doubt that they will in the end know how to fulfill their mission with the greatest glory and success.

The Republic of the Philippines pays them humble tribute for the bravery, self-sacrifice, and limitless sincerity and devotion with which they have defended the Republic as well as the safety of the Japanese Empire. Even now they have already accomplished feats of arms that have no rivals in the history of war in the Philippines.

To appreciate this we need only to recall events three years ago. I can still remember from my own personal experience the day General MacArthur told me that the Japanese had about 80 transports in this same Lingayen bay that is again the scene of battle. The date of that Japanese landing was, as I recall it, the 21st of December, 1941. So sure did their advance appear that scarcely three days later General MacArthur advised the removal of the Commonwealth Government out of Manila and indeed the Imperial Japanese Forces under Lieutenant General Homma took only 31 days to sweep from Lingayen to the capital, which they entered in the evening of the second of January 1942. Now I need not tell you that the Americans have landed a vastly greater force in Lingayen than the 80 transports the Imperial Japanese Forces used. Yet today, almost a month after their landing, they are still a long way from Manila. And what is more important, they have still to meet the first frontal clash with the bulk of General Yamashita's indomitable forces.

But strategy and spirit alone cannot work miracles all the time. To make sure of victory, we must give General Yamashita the weapons and the tools of victory. That is why I have followed with much high hopes and rising confidence the assurances given by the Government at the Diet session that every step is being taken to increase munitions production and that in fact the rate of increase in the production of aircraft is now higher in Japan than even in America. And that is why I am encouraged and uplifted by this grand mass rally that today has proved to me once more that the people of Japan will stand behind the Imperial Japanese Forces in every step of the decisive battle of the Philippines, the battle that will decide our common fate and destiny.

The Americans must be stopped in the Philippines—let us send General Yamashita's men the planes, tanks, ships, guns, and ammunition that they need, and they will stop the Americans. The Republic of the Philippines must be saved, for its fate and destiny are the fate and destiny of the great Japanese Empire—let us send General Yamashita's men planes, tanks, ships, guns, and ammunition, and they will save the Republic and place the Empire on the road to victory. Our homes, the homes of all East Asians, must be protected and preserved—let us send General Yamashita's men planes, tanks, ships, guns, and ammunition, send them planes, planes, more planes, and they will do their job, they will fulfill their mission, they will raise a steel frontier, for Greater East Asia that no enemy of invader can ever pierce again.

But where shall these planes, these ships, these tanks, guns, and ammunition come from? They must come from us in the home fronts and come with speed, with swift and ever-increasing volume, if they are to produce sure victory for our side and crushing defeat for the enemy.

I have often heard it said by Japanese leaders that the one hundred million people of Japan behind the guns must be imbued with the body-crashing sure-victory spirit of the fighting force in the front lines; but I say that not only the one hundred million people of Japan but the entire one billion people of East Asia must be thoroughly possessed by this death-defying spirit; all of us the one billion East Asians must thrill and surge and march forward with this spirit, matching the gallantry and abnegation of the Imperial Forces in the foremost front with the highest degree of self-sacrificing industry, cooperation and devotion in the factories, mines, and farms at home.

It is in this same spirit, the spirit that realizes that the danger of one is the danger of all, that the need of one is the need of all, that the rise or fall of each of us is the rise or fall of all—it is in this spirit of complete solidarity that President Laurel and the people of the Republic of the Philippines are ready and willing to work and fight together with you, the Great Empire of Japan and her brave people, on to final and complete victory, resolutely convinced that the Empire and the Republic, sharing rise or fall, joy and suffering, have one common fate and one common destiny.

P.I. Envoy Addresses Rally

Ambassador Jorge Vargas addressing the grand rally for victory in the Philippines on Saturday.

LEADERS OF YUGOSLAVIA UNABLE TO REACH ACCORD

Statement By Subasic Charges King With Seeking to Create Civil War

Immediately following the statement of January 11 issued by King Peter II, Ivan Subasic, Prime Minister of the Exile Yugoslav Government in London and his Cabinet set about the work of bringing order out of the chaotic state of Yugoslav affairs.

On January 15 Prime Minister Subasic met Anthony Eden, British Secretary of Foreign Affairs, about the situation on which he sought to know the British official's views. Two days later, the Exile Government issued a statement in which its conviction was repeated that the provisions of the agreement entered into by Prime Minister Subasic and Marshal Joseph "Tito" Brozovitch were in perfect harmony with the interests of the majority of people in Yugoslavia.

On the night of January 22 King Peter met Prime Minister Subasic and demanded that he resign, saying that in the face of the aggravation of the situation surrounding Yugoslavia it was no longer possible to continue to recognize him as head of the Yugoslav Government. Prime Minister Subasic withdrew from the King's presence, after he had intimated that he would see his Cabinet colleagues before taking any action.

After a while the King gave orders to Milan Groll, President of the Serbian Democratic Party and political opponent of "Tito," to be the organizer of a Cabinet to supersede that headed by Subasic. The King's action had no effect on Prime Minister Subasic, who carried on and made it plain that he would allow nothing to stand in the way of his exercise of the power of Prime Minister.

On the night of January 23 Prime Minister Subasic issued a statement under the name of all Yugoslav organizations in London, in which it was contended that King Peter, in naming the organizer of a new Cabinet, went out of the way and, besides, violated the Constitution.

The statement also charged that the King wished to plunge Yugoslavia in the turmoil of civil war with the plan of creating a condition under which he should promote his own interests, taking advantage of the state of division existing among the anti-Axis countries. This statement had a speedy effect in inducing the King to adopt a conciliatory attitude toward Prime Minister Subasic.

What, then, is the nature of the "Tito"-Subasic agreement, the first, concluded on June 16, 1944?

There were five points in the agreement, according to the magazine Foreign Affairs for September last year, which published what it claimed to be the text of the agreement. They were:

1. A Cabinet should speedily be forced by the Yugoslav people with leanings toward Democracy.

2. The National Movement for Liberation and the Yugoslavian Government should cooperate to the fullest extent in carrying the war of liberation through to its end and in the planning of the future state of Yugoslavia.

3. The National Committee for Liberation considers that there is no need for the question of monarchic rule to be taken up today. The Yugoslavians themselves should decide the question after the war is over.

4. The Subasic Government should recognize the right of the Anti-Fascist Committee and the National Committee for Liberation to organize a provisional system of administration, recognize the immensity of the sacrifices which have been made by the Liberation Army under "Tito" in the national cause, and make an appeal to the entire Yugoslav nation to unite in carrying on the war of liberation.

5. "Tito" should recognize the Subasic Government, make a public announcement to that effect, and issue a statement saying that no action has been taken yet on the question of the organization of the future state of Yugoslavia.

The Information Board of the Exile Yugoslav Government published on the night of January 23 the full text of the "Tito"-Subasic agreement with regard to the question of a regency which was brought to the attention of King Peter in December last year.

There were three main points in the agreement. They were:

1. It is considered proper for the King not to return to his country, until the will of the Yugoslav people on the matter has been made fully manifest, so that he may avoid involving Yugoslavia in trouble. In the meantime the rights of the King should be exercised by the Regency. As for the Regency, the King should appoint the members on the proposal of the Government and with the consent of "Tito" and Prime Minister Subasic. The Regency should make a solemn pledge of loyalty to the people.

2. The Anti-Fascist Committee should exercise the rights of a Legislature pending the convocation of the National Assembly to decide on a Constitution for Yugoslavia.

3. The Regency should keep in touch with the King at all times.

Facts Worth Noting

Free India Provisional Government

Subhas Chandra Bose—Head of Government. Also C-in-C of Indian National Army

S. A. Ayer—Publicity Minister

A. M. Sahay—Chief Cabinet Secretary

Col. J. K. Bhonsle—Chief of Staff

Col. M. Z. Giani—Unit Commander

Col. Anil Chandra Chatterji—Foreign Minister

Col. A. D. Loganadan—High Commissioner for Andaman and Nicobar Is.

Karim Ghani—Adviser

Debnath Das—Same

D. M. Khan—Same

A. N. Sarkar—Same

M. Sivaram—Spokesman

Sardar Ishar Singh—Minister Without Portfolio

Col. J. A. Alagappan—Same

A. C. N. Nambiar—State Minister in Berlin

Mrs. Swaminadhan Lakshmi—Director of Women's Dept. of the Rani of Jhansi Regiment

1,389 Raiders Downed

Domei

BERLIN, February 2.—A total of 1,389 Anglo-American aircraft, most of them four-engined bombers, were shot down by German fighters and flak during January.

BRITAIN EMBARRASSED BY LEND-LEASE SETUP

Must Depend on Her Export Trade to Pay Off Heavy Debt to America

The success of the efforts of the anti-Axis countries to retrieve their fortunes may be said to lie in their common use of war materials as well as of material resources. In this connection, the structure of the American Lend-Lease Act is worth special note for the part it has played in the practice of the principle of using in common the output of each other's munitions industries and resources.

Of late, America and Britain have been revising this system under the influence of the idea that the war in Europe will soon be over. The revision of the Neutrality Act in America carried out in the early days of the current war was for the purpose of permitting the export of arms. The only clauses of the original Act which were retained were in connection with the shipment of specie and the granting of credits to belligerent countries.

Subsequently, on March 11, 1940, as British economy had begun to decline, America put the Lend-Lease Act into effect. The ground was thus paved for America to make available goods produced within its country directly to Britain without having recourse to the method granting credits and without regard for the economic power of Britain.

Extended to Soviet Union

In October of the same year, application of the Act was extended to include the Soviet Union, and later other countries.

In February and again in September of 1942, after the outbreak of the War of Greater East Asia, as the scope of the Lend-Lease Act widened, Britain and America entered into an agreement whereby a system of mutual assistance was established. Under this system Britain began to both receive and lend goods to America. With the same system, Britain also came to the aid of the Soviet Union. The British colonies followed suit.

Thus, an economic order was created which permitted the anti-Axis countries to place at each other's disposal the products of their munitions industries and resources without regard for its economic power.

The materials and other forms of assistance which actually left America under the Lend-Lease Act up to the end of June, 1944, amounted to $23,300,000,000. Of this amount, 54 per cent represented war materials and ships loaned; 21 per cent raw materials for industrial works and machinery; and 13 per cent foodstuffs and agricultural products. Britain received 43.3 per cent of this amount; the Soviet Union 27.5 per cent; Africa and the Middle East 14.3 per cent; Chungking, India, Australia and New Zealand 11.2 per cent; other areas 3.7 per cent.

The aid extended by Britain under the system of mutual assistance totalled £1,080,000,000. A substantial portion of the British aid to America constituted materials supplied the American forces stationed in Britain. America itself received 55 per cent of the amount; the Soviet Union 25 per cent; Poland 11.1 per cent; Turkey, Czechoslovakia, France, Greece, Portugal and Chungking combined, 8.9 per cent.

The British aid to America will be set off against American aid to Britain under the Lend-Lease Act. At the moment, American aid to Britain exceeds British aid to America by £1,700,000,000, and there is no prospect of Britain meeting its obligations to America except by increasing its export trade after the war.

Britain Much in Debt

In addition to its obligations to America, Britain is much in debt to its colonies. Thus postwar trade constitutes a great problem to Britain.

Now to view the state of Britain's imports, exports and re-exports of the last few years. In 1938, Britain's imports totalled £919,000,000; in 1939, £886,000,000; in 1940, £1,152,000,000; in 1941, £1,145,000,000; in 1942, £1,206,000,000; and in 1943, £1,875,000,000. Exports totalled £71,000,000 in 1938; £440,000,000 in 1939; £411,000,000 in 1940; £365,000,000 in 1941; £269,000,000 in 1942; and £232,000,000 in 1943. Re-exports totalled £61,000,000 in 1938; £46,000,000 in 1939; £26,000,000 in 1940; £13,000,000 in 1941; £11,000,000 in 1942; and £10,000,000 in 1943.

It will be noted that there has been a diminution in the volume of British exports except with the anti-Axis countries and the territories under their occupation. A portion of both Britain's exports and imports in the period under review represents commodities that might be classed under the category of munitions.

America's imports, on the other hand, totalled $1,950,000,000 in 1938; $2,318,000,000 in 1939; $2,625,000,000 in 1940; $3,345,000,000 in 1941; $2,742,000,000 in 1942; and $5,365,000,000 in 1943. Exports under the Lend-Lease Act amounted to $741,000,000 in 1941; $4,892,000,000 in 1942; and $10,000,000,000 in 1942. Re-exports amounted to $3,057,000,000 in 1938; $3,177,000,000 in 1939; $4,021,000,000 in 1940; $4,406,000,000 in 1941; $3,144,000,000 in 1942; and $2,717,000,000 in 1943.

It will be noted that in sharp contrast to Britain, America, while shipping considerable quantities of commodities under the Lend-Lease Act, is making a successful effort to maintain its export volume at the pre-war level.

There are several reasons for the decline in Britain's export trade, the principal one being the Lend-Lease Act.

The countries receiving goods from America under the Lend-Lease Act cannot re-export such goods; neither can they export articles closely resembling those they receive from America under the Act.

Must Increase Exports

In order to meet the conditions of imports under the Lend-Lease, Britain was forced to impose many restrictions on its export trade. Thus the imports from America under the Lend-Lease Act themselves constituted a serious obstacle to the development of Britain's export trade. It is a curious fact that Britain must increase its exports if it hopes to pay for the goods supplied by America under the Lend-Lease Act.

As the war situation progressed, America also developed a tendency to doubt the wisdom of maintaining exports under the Lend-Lease Act. It became increasingly anxious for a speedy return to the normal condition of export trade. An increased clamor began to be raised in America for the replacement of exports under the Lend-Lease Act by credit grants, a demand which was reflected in America's declaration of its intention to abolish the Johnson Act.

John Maynard Keynes, British economist, went to America to confer with the leaders of the United States Government regarding Britain's economic situation, and toward the end of last year was able to reach an agreement with them. In this agreement there were three points to be noted; namely:

1. American supplies to Britain during 1945 would be 50 per cent of those of the previous year.

2. The supply to Britain of goods for civilian consumption manufactured in Government factories would cease. On the other hand, certain types of semi-manufactured goods, and raw materials, including copper and Portland cement, could be re-exported.

3. America would continue to supply to Britain with building materials required for the construction of houses for laborers.

Fuehrer's Headquarters

February 2

In Hungary the enemy continued his counterattacks between Lake Balaton and the Danube with the focal point northeast of Stuhlweissenburg but the attacks were repulsed for the most part and several enemy penetrations were sealed off or ironed out in counterattacks by German and Hungarian formations.

On the front between the High Tatra and the Oder knee, local fighting only took place south of Pless, north of Ratibor, northwest of Brieg and in the area on both sides of Steinau and here 32 enemy tanks were destroyed. The Schneidemuehl and Posen garrisons held their own against violent Soviet attacks supported by strong artillery and multi-barrelled mortar fire.

In the southern part of Pommerania, enemy attacks at Deutsch-Krone and Jastrow were foiled. On either side of the lower Vistula the enemy attacked southwest of Graudenz with several rifle divisions and numerous tanks but was halted after heavy fighting.

In the Marienburg and Elbing area as well as in East Prussia, bitter defense fighting continued at the same focal points and despite the deep penetrations achieved by the enemy our divisions prevented the numerically superior enemy from breaking through. On the Curland front the Soviets made numerous unsuccessful thrusts.

Our Luftwaffe bombed with strong formations Soviet tank and infantry columns at the focal points of the winter battle. The enemy suffered exceptionally heavy casualties and lost yesterday 52 tanks, 27 guns and 575 mechanized and horse drawn vehicles.

On the Western Front, our divisions on either side of Monschau in heavy defense fighting in the depth of the main fighting field are engaged in violent battle against American formations in the sector east of St. Vith while heavy combats in the forefield of our western fortifications are continuing.

On the Saar front as well as in the lower Alsace, American thrusts were unsuccessful. In the penetration area east and northeast of Colmar, the enemy crossed the Neubreisach-Strassburg Road while at Thann and Sennheim our troops repulsed all enemy attacks.

Parts of the garrison of Gironde-South, after having fought their way through the enemy minefields, deeply penetrated the enemy ring of encirclement and in hand to hand fighting rolled up a considerable part of the enemy forces who suffered heavy losses.

In central Italy, our troops repulsed in a counterattack north of Faenza the British troops which had temporarily penetrated our positions.

In Croatia a major band was attacked and wiped out by a German commando in the area east of Karlovac and the bulk of their arms fell into our hands.

American bombers at daylight yesterday made a terror attack on the residential quarters of Mannheim-Ludwigshafen. Further Anglo-American formations bombed the Rhenish-Westphalian area as well as southeastern Germany, particularly on Graz. Last night the towns of Mannheim, Ludwigshafen and Mainz were again the targets of heavy terror attacks. British bombers in the evening and during the night bombed Berlin as well as places in the western Reich territory.

London continues to be subjected to our retaliation fire.

SWAY OF SOVIET UNION GROWS IN EAST EUROPE

Peace and Order Better In USSR Sphere Than In Anglo-U.S. Area, Says Economist

The condition in the Eastern European countries which are under the occupation of the Soviet Union is reviewed by the Economist in a recent issue. The magazine declares that if the Soviet would take a policy of indirectly guiding those countries in fully understanding their respective condition and military strength, the national life of those countries of Eastern Europe would be developed smoothly.

The Economist's editorial headed "Russian Sphere of Influence" is substantially as follows:

"In the Eastern European countries under the occupation of the Red Army, social unrest is very serious, and at various points there are minor conflicts between the Red Army and local partisans. But generally speaking compared with the countries within the British-American military operation areas, the impression is generally gaining that peace and order in the Soviet sphere of influence are comparatively better. This impression is due to the following two causes:

"Firstly, most of the Eastern European countries were former enemy countries, and therefore there is no need for the Soviet Union to be afraid of forcing her own wish upon them, but the countries liberated by the British-American forces are all allies with the only exception of Italy, and therefore there are various very delicate questions. Secondly in the Soviet Union there is no organ for free discussion as the Parliament in Britain and thus even if there arise some internal difficulties in the occupied areas, such questions do not appear on the surface.

"Because of such conditions, in Poland and Yugoslavia there seem to have arisen many questions of late. Particularly the detention of several divisions of the Polish Partisan Army by the Red Army after their disarmament does not differ in any way from the oppression on the ELAS Army by Lieutenant General Scobie. The Soviet policy toward Eastern Europe is now firstly based on her military necessity, and is actually considering the social and political features of various countries under occupation. In Poland and Yugoslavia, the Soviet Union is absolutely supporting the communist elements in those countries and thus suppressing her own opinion, while in Bulgaria, Rumania and Hungary, the Soviet Union is making them establish governments nominally supported by the entire people respectively and particularly to Finland the Soviet Union is giving fair freedom in internal administration. But economically, the Soviet's attitude toward Eastern European countries is not necessarily so weak, because of her necessity of effecting the economic restoration internally and of the execution of the war. From Rumania, not only various war materials but also live stocks are being shipped to the Soviet Union and the effect of this on the Rumanian economy is very great.

"The future development of the Soviet policy toward these countries is to be watched with interest. Supposing that the Soviet Union will intensify her direct control of these countries of Eastern Europe and make their respective sovereignty only a nominal existence, she would gain only the support of the members of the Communist Party, and will invite ideological confrontation and a confusion in peace and order at various places. On the other hand, if the Soviet authorities adopt a policy of indirectly guiding those countries, by fully understanding the geographical positions and military strength of each country, the national life of those Eastern European countries will be made to develop smoothly."

UNDERGROUND FACTORIES FOR PLANES BEING BUILT

Others Placed in Tunnels As Protection in Air Raids, Lt. Gen. Endo Says

The authorities have already taken in hand the placing of the more important parts of aircraft factories under the ground or in tunnels and at the same time the construction of new underground aircraft factories, declared Lieutenant General Saburo Endo, Director General of the Aircraft Board in the Munitions Ministry, on February 1 at the meeting of the committee of the House of Representatives dealing with the Industrial Equipment Corporation Revision Bill.

Lieutenant General Endo's speech was in reply to Hyogoro Sakurai who questioned the Government about the attitude of the Government toward the construction of underground aircraft factories. He said:

"It is necessary to protect the more important parts of aircraft factories from aerial attack by placing them under the ground or in tunnels. We have an inquiry conducted into spots where we may place them and we mean to be quick to take steps on the basis of the report of those who are making the inquiry.

"Aircraft factories are already building planes in places which are absolutely safe from enemy planes.

"There is no cause for apprehension about the financing of these undertakings. Payment will be made out of the temporary war expenditure account.

"The problem, if there is one is that of getting the labor, materials, and technical ability which are required for the complete realization of the program of constructing underground aircraft factories.

"We are forging ahead with the work of placing aircraft factories in places of absolute safety from hostile planes with the assistance of the equipment board of the Navy which is amply fit for the purpose and of the Army and the Railways Ministry with their great resources in technique, labor, and materials."

OVER 700,000 CASUALTIES SUFFERED BY U.S. FORCES

Patterson Predicts Hard Fighting Still Ahead in Europe; Admits Japanese Advance

Special to the Nippon Times

LISBON, February 2.—The casualties of the United States army and navy since the beginning of the war up to January 21 totaled 737,342, Robert Patterson, U.S. Undersecretary of War, officially announced today, according to a Washington report.

The army casualties were given as 650,420 including 121,676 killed, 379,638 wounded, 91,573 missing and 57,533 prisoners of war.

The navy announced that casualties for the navy, marines and coast guards now total 86,922 of which 39,887 were killed, 38,037 wounded, 9,708 missing and 4,476 prisoners of war.

In a press interview, Patterson said that hard fighting still lay ahead in Europe and added that the fall of Berlin might not mean the end of the war against Germany. He stated that no doubt the Germans are determined to fight to the last German.

Turning to the Western Front, he asserted that the German bulge in Belgium and Luxemburg was now bulging the other way. He said that although the Germans have yet to feel the full weight of another anti-Axis offensive in the west, the Germans would naturally fight desperately to prevent a breach of the West Wall. He admitted, however, that the terrain, fortifications and the weather would make things difficult for the anti-Axis forces.

Reviewing the Japanese operations, Patterson declared that the Japanese Forces have cleared the entire length of the Canton-Hankow railroad and have thus secured a 700-mile overland supply route from Central to South China.

Destroyed P-51 Shown

Domei

SHANGHAI, February 2.—One of the seven American P-51's, which were shot down by the local Japanese Air Defense Unit on January 20, when the enemy conducted abortive raids on Shanghai, is attracting a large number of local Chinese citizens to the local race track course where the plane is on public exhibition for five days. It is being held under the joint auspices of the Civil Air Defense Headquarters and the Japanese Army and Navy Press Sections.

Bulgarians Sentenced

Domei

LISBON, February 1.—Prince Cyril, former Bulgarian Regent, Bogdan Filoff and Iwan Bagalanoff, former Prime Minister, are reported to have received death sentences today, according to a Sofia dispatch.

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LONDON TIMES COMMENTS ON CHUNGKING-YENAN RIFT

Chiang's New Year Message May Make Agreement Possible, Journal States

Special to the Nippon Times

STOCKHOLM, January 19.—The Times, London, in a leading article on January 2, discusses the political situation in China. The journal sees, in Chiang Kai-shek's New Year message, a possible meeting ground for Chungking and Yenan. The editorial follows:

Chiang Kai-shek's New Year message to his people proclaims the determination of the Chungking Government to proceed at an accelerated pace to the creation of democratic institutions and affords fresh evidence of increased ascendancy within that government of progressive elements.

The year that has just ended, has brought the Chungking Administration abundant criticism, both from the Chinese themselves and from their Western Allies. But while the Chinese criticism was firmly based on local knowledge and hard facts, the Western criticism has been in the main, a product of disillusionment.

In the shock of discovering that the Chungking government was not democratic, either in form or profession, many western observers seriously under-rated both the incalculable services rendered to the United Nations by the Generalissimo's determination to sustain the war against Japan, and the very real evidence of his governments intention to proceed, however cautiously, to the liberalization of the Constitution.

Progressive opinion in China had been pressing during recent months for the cessation of the one-party rule.

Recent Cabinet changes have given new opportunities for the strengthening of the liberal elements in the administration; and military reorganization has been undertaken in order to supersede the vicious plan of climaxing civil and military authority in the hands of general officers.

Among the more important consequences of these developments may be the gradual convergence of Chungking and Yenan, which doubtless, stands for "provincialism" or a type fatal to China's national unity; to Yenan and Chungking appear the entrenchments of fraction. But the recent trends in Chungking may well assist in overcoming the distrust that seems to have made Yenan's terms too high, and confidence of both sides in the national leadership of Chiang Kai-shek makes the policy announced in his New Year message a possible meeting ground between them.

His refusal to wait for the end of the war before summoning a Peoples' Convention to ratify the democratic constitution, his determination to press forward to constitutional democracy and his evocation of the spirit of national revolution, combine to form a summons to new efforts and to renewed hopes for his entire people.

Tokyo, Nagoya Raided

One Mariana based B-29 bomber raided Tokyo Metropolis at about 8 p.m. on Friday. The raider dropped some explosives which caused slight damage to ground facilities. Shortly after midnight the same day, another B-29 appeared over Nagoya and its vicinity. Although the raider dropped some bombs, no damage was caused.

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YANKS CHECKED IN DRIVE ACROSS CENTRAL LUZON

Grim Fighting Ensues As Japanese Counterattack Against Numerically Superior Enemy

By Y. YOSHIMURA
Of the Military Press Corps

PHILIPPINE BASE, January 29.—Mobilizing some 1,000 planes and backed by powerful mechanized troops, the enemy forces are now frantically attempting to strike northward toward the Luzon plain, furiously counterattacking the numerically superior enemy forces. Japanese Forces are holding their main positions intact. Should the enemy attempt to seize all the Japanese main positions as planned, he must expect an endlessly long journey path ahead.

Devastating thrusts and counter-thrusts have been raging in the Luzon plain with numerous tanks of the opposing forces rolling madly over the area day and night. Since the landing on the Lingayen Bay coast half a month ago, the enemy invaders have commenced mobile operations heading for Manila. The enemy forces are reported to be comprised of one mechanized and one infantry division. The enemy vanguards tore through Tarlac on January 27, heading for Bamban and Clark Field.

The design to smash all the Japanese positions located in the hilly areas north of San Fabian, preparatory for a southward advance has been completely shattered. Faced with the relentless defense of the Japanese Forces, the enemy have suffered tremendous personnel losses in attacks against even a minor Japanese position, while they shiver with fear at the thought of bayonet charges carried out at night by the Japanese.

Suffering a tremendous drain on personnel and materials, the enemy frantically dispatched convoys with new reinforcements of men and material to the Lingayen front. Yesterday, a powerful convoy consisting of more than 100 large and small transports and 10 warships were seen entering Lingayen Gulf. Encountering enormous enemy forces, the valiant Japanese are grimly resolved to make up in spirit what they lack in arms. Determined to safeguard their position, the Japanese to the last man are maintaining a heroic stand. In spite of the fact that the enemy forces are heavily armed and capable of launching mobile operations, they have not been able to effect as speedy an advance as the Japanese had achieved at the time of their Luzon operation.

The reason lies herein. The enemy at present has been caught and their advance hindered by our foremost positions in Labon, Alacon, Bindoy and Manaoag, linking the line in the uplands. Then again the enemy has not been able to drive any wedges into the main Japanese defense. If the enemy seeks to carry out his original strategy of severing all the key Japanese positions, it will require an indefinitely long time.

Confronted with the urgency of marching into Manila as soon as possible from the political standpoint also, the enemy has thrown about three divisions into the offensives against the Japanese mountain positions. The southward drive was started because no other course seemed to be opened. Leaving the defense of Lingayen Bay to the follow-up forces, the enemy continued to advance southward, warding off the Japanese attacks from the flanks. At the same time, the enemy is attempting to stave off the Japanese attacks from the rear. Countless enemy planes carry on strafing and bombing operations in front of the advancing enemy tanks.

The enemy has recently constructed an airfield in San Fabian as well as at Lingayen. The number of enemy planes sent to Luzon from the Leyte airfields now number some 1,000. From the enemy landing points at Lingayen and San Fabian, and from San Jose in Mindoro and Tacloban, Dulag, San Pablo and other areas on Leyte, enemy planes swarm over the skies of Luzon.

Against the enemy tanks, the members of the Japanese Shock Units hurl themselves bodily. Fearful of the human bullet attacks of the Japanese Forces, the enemy line swings backward at nights, though ground may have been gained in the daytime under protection of their aerial forces. Although it is a seesaw game of advance and retreat for the enemy, the speed at which the enemy's mechanized units are advancing is great. Let us watch the war developments with patience. The net encircling the enemy may be far larger than anticipated.

Abolishes Subjugation Body

Domei

PEKING, February 1.—The North China Political Affairs Commission has decided to abolish the North China Communist Subjugation Commission in Peking and all the provincial Communist subjugation commissions, it was announced by the Board of Information of the North China Political Affairs Commission. All business pertaining to the Communist subjugation will hereafter be looked after by the Suichin Pacification Headquarters, city offices and provincial governments.

Press Comments

Saturday, February 3

SAVE TO THE UTMOST FOR WAR PROSECUTION

YOMIURI-HOCHI—Up to two or three years ago, the so-called "securing of the people's minimum living standard" was discussed briskly. Now, however, the expression, as though forgotten, has suddenly gone out of use. This is the year in which both the Government and the people must make joint efforts to secure, in every sense, the minimum living standard of the people. At the same time any surplus power, whether of the individual or of the State, must be utilized for the national fighting strength. At the moment, when the destiny of the nation is at stake, the entire power of the State and the individual must be turned into fighting strength. The time has come when all of us must be prepared to sacrifice even the securing of the minimum living standard of the people.

The current Diet session has established a ¥100,000,000,000 budget. All of this amount, whether for extraordinary military expenditures or the general accounts budget, is being directed to the prosecution of the war. The amount of materials which is to be procured out of this unprecedentedly high expenditure will doubtless be tremendous. All such materials, whether they be foodstuffs, firewood, charcoal, lumber or clothing, while needed by the people, are at the same time urgently required for the prosecution of the war. For instance, the Government has set the goal for the current year's output of sweet potatoes at 2,700,000,000 kan (one kan equals 3.75 kilograms), which is more than twice the present output. Not all of this will be turned into foodstuffs but a considerable part of it will be utilized for manufacturing fuel alcohol. Hitherto pine-root oil had been widely used as motor fuel for fishing boats and for other civilian uses as a substitute for gasoline. However, today all the pine-root oil is being diverted toward the munitions.

The more the number of troops are increased, the more the quantity of materials required will have to be increased. And the closer the war presses around us, the more must our fighting preparedness be strengthened. To this end, all available materials must be converted into fighting strength.

If we consider this matter from the monetary viewpoint, it will be recalled that Finance Minister Sotaro Ishiwata stated that savings will have to be increased to ¥60,000,000,000 in order to cover the ¥100,000,000,000 budget. This savings amount represents 66 per cent of the total national income and as has already been pointed out by us, it represents a saving of ¥800 per person per year or ¥4,000 for a family of five. In other words, each family must base its living expenses on 33 per cent of its total income. For instance, a person earning ¥200 per month, must save ¥133 and base his family living expenses on ¥66. This is certainly not an easy matter, but if a ¥100,000,000,000 budget is required, then we must all curtail our own living expenses no matter how hard it may at first seem. There is still room for more thoroughgoing measures to cover the present budget, and it is a small sacrifice when the future of our country is at stake.

Nagano Leads Savings Drive

In the savings for the 1944-1945 fiscal year, with the goal set at ¥41,000,000,000, Nagano Prefecture was leading with the attainment of 108 per cent by the end of last year, followed by Karafuto and Yamanashi Prefecture. Tokyo Metropolis accomplished only 61 per cent and Osaka, 69 per cent.

Memorial Rites For Hayashi

On the occasion of the third anniversary of the death of General Senjuro Hayashi, former Prime Minister, today, memorial services in his honor will be held at the Gokokuji Temple, Koishikawa-ku, at 10 a.m. the same day under the sponsorship of Admiral Kichisaburo Nomura, president of the Dai Nippon Defense Society.

Taiwanese Enter Barracks

Domei

TAIHOKU, February 1.—Amidst an enthusiastic send-off by native islanders, the first group of Taiwanese soldiers since the promulgation of the Military Service Law in Taiwan on September, 1943, entered their respective army barracks throughout the island today.

Silver Buying Drive Good

The Government campaign for buying silver articles owned by the metropolitan residents ended on January 31 achieving a 96 per cent result. The drive will be continued till February 15.

ATHLETE'S FOOT CURE REPORTED DISCOVERED

Half-and-Half Mixture of Pure Phenol and Camphor Will Heal Severest Cases

In 1907 a young scientist was testing out fumigants to use against the mosquitoes that carry yellow fever. Checking a new insecticide—a half-and-half mixture of pure phenol (carbolic acid) and camphor he accidentally spilled the mixture over his hands.

Even a five per cent solution of phenol will take the hide right off you, if you don't use it with care, and the scientist expected to receive immediate and severe burns. Yet nothing happened. He stared at his hands, not believing his eyes. Instead of being blistered and red and raw, they were as if he had wet them in water. Evidently the camphor had gentled the corrosive phenol.

By chance the scientist was at this time bothered by a large ringworm on his arm. He daubed it with the phenol-camphor—an act, he now says, that was a sign of eight-year-old mentality. Logically the camphor-tamed phenol should have lost any curative power it might have had. But the offending sore vanished with incredible swiftness.

The scientist thought no more of the matter for many years. He was engaged in a series of investigations that required his every thought and effort. Yet this curious little accident 37 years ago finally resulted in his recent announcement of the discovery of a working cure for that annoying and sometimes disabling disease known as "athlete's foot."

The cause of this widespread ailment is a little fungus which rejoices in the big name of epidermophyton. It is transmitted from infected feet to healthy ones, by way of bath mats, locker-room floors, showers, and the common bath slippers and towels of gymnasiums, golf clubs and swimming pools.

For many thousands of people athlete's foot is torture. It spreads from between their toes to blow up big blisters and dig deep, painful cracks on the bottoms of their feet. It may even attack the hands and fingernails. An allergy to the fungus can break out on the legs in a fiery rash imitating erysipelas, or mimic an oozing eczema on the face. While the foot infection remains unconquered, the victim is likely to go on suffering the itching, unsightly allergy.

There was no generally acknowledged cure for serious cases of athlete's foot. A bewildering array of over a score of different salves, unguents and lotions had been tried by skin doctors. Almost any one of them could cure mild cases. But the tough ones were likely to defy every treatment. X rays sometimes dried up the condition for a few days but then, like as not, the itching would return, the painful cracks reopen. The X rays, used again, began to burn. For it took 50 times more X ray to kill the parasite than it took to hurt human skin.

Thus far had science got toward treatment of severe athlete's foot in 1932.

One morning a nurse working for the scientist was suffering from a ringworm on her neck. She knew nothing whatever of the scientist's lone ringworm cure back in 1907. But her request for advice reminded the doctor of it. He called for pure camphor and pure phenol, prepared a 50-50 mixture. And the nurse's ringworm vanished as had his own.

Again the scientist forgot his magic. So a year went by, and it was 1933, in the high summer heat when athete's foot makes its sufferers most miserable. In the laboratory next door to the nurse's room there was a continuous, thunderous stomping of feet. So violent that it upset her at the blood tests she was making.

She called in this disturber of the peace, a lab boy. "I can't help it, my feet itch so," he protested. Then he displayed a pair of cracked and blistered feet that would have been the despair of the most eminent skin doctor.

The nurse reached for the little bottle marked "Phenol-Camphor—50-50." She didn't consider the possible subtle differences between the fungi that cause ringworm and the fungus that causes athlete's foot. She simply applied the mixture to the boy's agonized feet. As if she had waved a wand, the itching vanished. The boy put on his shoes, went back to work, and stomped no longer. In two days with little daubs of phenol-camphor three times a day, the blisters and raw cracks were well on the way to healing. Cure came by the end of the week. At the doctor's direction, the nurse put a new label on the historic little bottle: "Phenol-Camphor, 50-50, for Athlete's Foot."

On December 6, 1941, the doctor published the precise though simple details of his cure. The directions are easy. Your doctor or druggist has only to melt a little phenol and measure 3 cubic centimeters of it into a mortar. Then 3 grams of camphor are added, and the mass rubbed up until liquid. The liquid is put in a bottle, with a stopper suitable for use as a dauber, and there you are.

Two or three applications a day for a week will do the trick." And the phenol-camphor does not irritate surrounding skin, or corrode or discolor clothing.

Of course the bottle should be marked "Poison—Do Not Take Internally!" It is not recommended for any other skin condition. There is only one other precaution. The mixture should not be applied to the wet skin, and raw oozing surfaces should first be gently dried, for water breaks down magic mixture and releases the caustic phenol.

Pharmacists may be shocked when you ask for phenol-camphor, 50-50. Fifty per cent phenol? Impossible. Deadly dangerous! It's wise, therefore, to consult your physician.

With typical caution, the doctor calls his discovery a "working cure." A permanent cure for athlete's foot, he says, has never been found. The disease may recur when you expose yourself to the fungus again. But now, if the little epidermophyton should plague you, that working cure is easy.

Catholic Church in P.I. Bombed by Americans; Six Nuns Are Killed

Domei

LUZON FRONT, February 2.—A Catholic Church and a hospital at Bayombong fell victims to indiscriminate bombing attacks on January 31 by the American air force whose intention, apparently, is to blast everything in sight before their ground forces advancing with tank protection. As a result of this attack: five nuns were killed while many patients in the hospital were killed or wounded. Not only did the American planes bomb the hospital but repeatedly carried out low-level strafing attacks. This indiscriminate attack against the Church and hospital was wholly unwarranted for good weather prevailed and the raiders could not have missed the Red Cross insignia marked on the hospital.

6 BILLS PASSED BY PEERS

Plenary Session Held Saturday—Lower House Committees Busy

The House of Peers sat in a plenary session at 10 a.m. Saturday, when a legislative bill to revise the wartime provisions of the Accounts Law, which was turned over to the House of Peers by the House of Representatives, was laid before it for examination. This was followed by the submitting of a budgetary deficit bill and five others, which were adopted. The session adjourned before noon.

The general meeting of the House's Budget Committee was held at 10 a.m. Committee meetings pertaining to tax increase, overseas bank and provincial railways also were in session during the morning.

A message of condolence in honor of the late Hisahiro Naito, member of the House of Peers, also was adopted during the morning.

No plenary session was held by the House of Representatives Saturday. Committee meetings on the wartime civil code, industrial equipment corporation and wartime forestry protection bills were held in the afternoon.

Army, Navy Sure of Victory

The absolute confidence in the ultimate victory of Japan was expressed by Major General Yoshio Nasu, Director of the Military Recruitment Bureau, at the session of the Military Conscription Law Committee in the House of Representatives on Friday. The statement was made in reply to a question asked by Toshie Inoge, and is as follows: "We, the officers and men of the Army and Navy, under the Imperial Grace and in thorough understanding of the true meaning of national polity, firmly believe that by exercising our best efforts, absolute victory will be won as soon as possible for our Empire."

BAZAAR FOR EXCHANGING GOODS OPENS IN TOKYO

Public Welcomes Opportunity To Barter Articles Held at Matsuzakaya Store

The opening day on February 1 of the bazaar for exchange of articles of daily use on the third floor of Matsuzakaya Department Store, Uyeno, sponsored by the Tokyo Metropolis, was a great success. When the place was opened at 9:30 a.m. crowds of people, holding cards identifying them as submitters of goods on display, soon clustered thickly around the display stands. By 10 a.m. some had already found the desired articles and were lined up at the paying counter.

The articles of exchange covered a wide range. There were clothes, shoes, hot water bottles, tea sets, kettles and so forth. The articles brought in for exchang, are graded into different classes. For instance, those submitting a second class article may buy any other article on display of the same class or lower but not of the higher class. As an example a person may submit an aluminium kettle, a second class article and priced at ¥15, and purchase on his part a child's shoes, also second class, at ¥5. He will be charged a handling fee of six per cent and be paid ¥9.10. Or as the case may be he will receive in cash the difference due to him.

Those in charge of the exchange bazaar say that exchange bazaars of clothing for vegetables from the rural districts are also being contemplated for the future. The exchange bazaar now open will close on February 6 and the next one is scheduled for business on February 13, 14 and 15.

EXHORTS THAI OFFICIALS

Premier Aphaiwong Also Clarifies His Government's Policies

Domei

BANGKOK, February 2.—Calling on some 180 high Government officials and military officers for increased fortitude and efforts, Prime Minister Khuang Aphaiwong of Thailand clarified the basic principles of Thailand's foreign and domestic policies yesterday morning.

The Prime Minister said, The Thai Government is firmly resolved to perform its duties and live up to the agreements with other countries. As to the domestic policy, responsibilities for administration must be shouldered by the Government. In that sense, I wish that the Government and military officials will exert their utmost efforts for the welfare of the country and the people.

"The present Government is determined to live up to democratic principles in accordance with the Constitution, and I wish that the Government and military officials will express their unreserved views regarding administration. On my part, I am ready to spare no efforts for the promotion of the welfare of the country and my countrymen.

"Government and military officials, you must perform your duties with utmost efforts in complete disregard for individual interests."

New Azad Hind Foreign Head

Domei

RANGOON, February 3.—Colonel Anil Chandra Chatterji, Minister without Portfolio of the Provisional Government of Azad Hind, has been appointed Foreign Minister, it was formally announced yesterday. Up till now, Subhas Chandra Bose, Head of the Provisional Government, had concurrently occupied the post of Foreign Minister.

To Hold Exhibitions

The following exhibitions will be held during February at the Mitsukoshi Department Store, Nihonbashi: Painting exhibit to comfort the workers on the home front from February 1 to 9, paintings of the 100 poems of the patriotic poem game from February 11 to 22, and exhibit of paintings, the proceeds of which will be donated to the Air Corps from February 24 to 28.

News and Views

The Plight of France

By ISAMU INOUYE

In some remote corner of the world, a Three-Power Conference is taking place in the fashion of an all-day, all-night bull-session. British and American delegates aboard planes, like the old witches who flew to the Sabbath on their broomsticks, are flying back and forth over France. And all France, a so-called "Big Power", can do is helplessly watch them.

France is dissatisfied and irritated because she is being treated as a "Big Power" by Britain and America only on a lip service basis, and no matter how much time passes her position as a "liberated" occupied country remains unchanged. France is a "Big Power" on paper only. She is not a country capable of dividing up the world, but rather she is a country to be divided up. In fact, she has not the strength to move to the right or left as she wills.

France is a liberated country but she did not liberate herself. Britain and America's dissatisfaction with France can be seen in the fact that they are seeking revenge against her by discarding actualities and regarding the recently concluded Franco-Soviet Alliance Pact as a mere scrap of paper. Ever since Algiers, the Anglo-Americans have followed a policy of playing one against the other. But while they were doing it they were unaware that the British-American-Soviet equilibrium had been upset, and before they realized it they were fishing for fish that wasn't there. The world, in the meantime, had forgotten France. And gasping in bewilderment is France today.

The Franco-Soviet Alliance was drawn up without a realization of France's true position. Moreover, the Anglo-Americans have exhausted their so-called generosity toward encouraging France to continue with her tight-rope act. And there is a great deal of strength in their appraisal.

Thus, it is only natural that France has been refused a seat at the Three-Power Conference. It is no wonder General Edward Spears, former British Minister to Syria and Lebanon, so outspokenly assailed in the House of Commons the French policy toward Syria. And it is no wonder that the Anglo-French Alliance which allured France has not made any headway.

As Marshal Philippe Petain has proclaimed, the only road to salvation for France is in rejuvenating herself.

MORE TAXES CAN BE PAID

Sotaro Ishiwata, Finance Minister, declared that there was still some reserve in the tax-paying ability of the people, in answer to interpellations of Viscount Atsuhko Umezono at the meeting of the Tax increase Committee of the House of Peers on Friday.

"The income of the people have naturally increased," stated the Finance Minister, "but as the tax-paying power is tied up with the income of the people on one hand and with the livelihood of the people on the other there is a great deal of elasticity. The people still have some margin in their tax-paying power."

Answering to the question whether taxes on proceeds of sales will be put into effect, the Finance Minister said that tax increase centered on classified income and that the question of recognition of sales' tax would be given careful consideration.

Obituary

Masao Sakurai, 29, an employe of the Army Aviation Headquarters and concurrently of the Munitions Ministry, died at his post on January 27. Inasmuch as Mr. Sakurai had been endeavoring for the increase of airplane production, his loss is greatly mourned. His funeral will be held soon under the auspices of the Munitions Ministry.

NOT CUTTING SAKE OUTPUT

Also Not Lowering Tobacco Production, Diet Members Assured

The production of sake and tobacco will not be decreased according to the statements of Yutaka Tanaka, director of the Tax Bureau, and Sankuro Ogasawara, Parliamentary Vice-Minister, in replies to interpellations by Toyoji Takeshita at the meeting of the Tax Increase Committee of the House of Peers on February 1.

At one time more than 5,000,000 koku of rice was used for the production of sake, but the amount has now been reduced to one-fourth, and the shortage met by synthetic sake and alcoholic drinks obtained from fruits, according to Mr. Tanaka. Since sweet potatoes from which synthetic sake is made must now be used for the production of liquid fuel, Mr. Tanaka thought that it would not be possible to decrease the production amount of rice sake to any lesser quantity than at present.

Speaking on tobacco production, Mr. Ogasawara said: "Tobacco plays an important role on the war production front and no matter how much is produced there is not enough. At present tobacco is cultivated as a second or a between crop and does not in any way effect the production of other main crops."

TO BOLSTER YOUTH CORPS

Intensive Training to Be Given to Up Defense in Bali

Domei

SINGARADJA, February 3.—Local authorities on Friday made public this year's plan for bolstering youth associations of the entire Island of Bali so as to complete the defense system and strengthen the fighting power of the island.

According to the plan, vocational youth associations as well as federations of these associations will be selected from among young men ranging in age from 12 to 30 years of age, who are mentally and physically fit. Moreover, for the health associations, educators will be selected and entrusted with the duty of properly guiding the members of these associations.

The members will undergo training which will include military drills, air defense drills and first-air drills as well as courses in Japanese language and etiquette. For the promotion of labor service spirit communal farms and work-shops will also be utilized.

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Death

ZINAIDA AURICH

on January 31st at 9 p.m. at the International Hospital, Kobe

Funeral Service on February 3rd at 3 p.m., at 11/8, Yamamoto dori, 2-chome, Kobe

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America's Economic Ambition

United States Senator Ralph Brewster's article in the American Magazine of December 5 in which he declared that the United States must retain a pre-eminent position in the spheres of international shipping and civil aviation as well as oil production and distribution in the postwar period reveals again the grim nature of the American attempt to win a larger role in the world economy at the expense of Britain. The article contains not only exhortations to the American people to take a firmer and bolder position in the field of world economy but also biting accusations of the unscrupulous methods now being employed by Britain to make the United States a mere "junior partner" in the British scheme for the economic domination of the world.

How implacable is the Anglo-American economic rivalry even at the present time is brought out clearly in Senator Brewster's accusation that Britain has agreed to lend $200,000,000 to Chungking after the war in exchange for airline concessions and that she has also offered to supply Argentina with commercial planes in exchange for the right of the British commercial airlines to operate in that country. In China, Senator Brewster claims that the British are seeking to operate a large air network connecting Calcutta with Chungking and other cities on the Chinese mainland and that they are even planning to use airfields in China which have been constructed at American expense. He is particularly critical of the British air negotiations with Argentina on the grounds that the British are obviously taking advantage of the bad relations between the United States and Argentina to advance Britain's economic interests. Furthermore, Senator Brewster alleges that the British have also agreed to sell airplanes to the Dutch lines for post-war operation and that they have also negotiated an air contract with Ethiopia which was cancelled only after the United States protested.

In seeking such preferential aviation concessions, the British no doubt were motivated by the desire to enhance their position in the coming competition over the world's skylanes. As the long drawn-out proceedings of the International Aviation Conference at Chicago last December demonstrated, the British are handicapped in their struggle to gain supremacy over international commercial aviation by the fact that their present aircraft production facilities are not as large as those of the United States. It is for this reason that the British delegates to this conference advocated the rationing of air routes and other restrictions which were cleverly calculated to give the British aircraft industries sufficient time to catch up with the large-scale production of airplanes in the United States.

So fierce is this competition between these two countries that the International Aviation Conference which was held for the purpose of adjusting their differences could not but end in a fiasco. They were unable to reach any basic agreement for the development of international aviation on a sound foundation. As a result, unless another conference is held to iron out their disagreements, there may be a free-for-all race for the domination of the international skyways in the post-war period. In this race, the United States will no doubt at the outset be in a more favorable position than Britain. But how long she will be able to maintain the upper hand over Britain, only the future can tell. Well might Senator Brewster, therefore, warn the American people to become more energetic in pushing their international aviation program, for the British are not letting scruples stand in the way of their gaining a more advantageous position in the post-war air race.

In the field of oil production and distribution, the Anglo-American friction is no less intense. Their rivalry for oil became an acute issue in the latter part of 1943 when the United States Government decided to construct an oil pipeline from the Persian Gulf to the eastern coast of the Mediterranean. The reason for this aggressive American penetration into the British sphere of influence was, in the words of Secretary of the Interior Harold Ickes, that it was necessary to obtain a prior lien on the existing oil resources abroad as the American oil reserves were expected to run out in about thirteen years.

It was to avoid further complications in the relations of the United States and Britain over the oil question that the Anglo-American Oil Conference was called at Washington last year. But the agreement which was signed at this Conference, far from settling the fundamental disagreement between these two Powers, proved to be nothing more than an attempt on the part of Britain to exclude American oil from the sterling areas. The British were able to do this through the insertion of a seemingly innocuous clause to the effect that foreign exchange constituted one of the economic factors in the field of world oil trade. The discovery of this fact in the conference records came to be the primary reason for the American Senator's refusal to ratify the Anglo-American oil pact.

In the light of the developments in Iran at the present time, it is quite probable that the scramble for the oil fields of the world will continue into the post-war period not only between the United States and Britain but also among the "Big Three." To the United States which produces 67 per cent and Britain 17 per cent of the world's total annual petroleum output, oil has become an important and indispensable instrument of national policy. It is no wonder that Senator Brewster is now urging the United States Government to take a more vigorous attitude to protect the interests of American petroleum dealers in the Middle East, especially Arabia. Is it any wonder, then that the British oil prospectors, in the guise of scientists, recently travelled within the "American sphere of influence in Arabia" seeking new oil fields.

In the sphere of merchant shipping, too, Senator Brewster believes that the United States must exert more positive efforts to gain a superior position. In this field the British, of course, seem to have a temporary edge over the Americans. For the British still possess the 85,000-ton Queen Elizabeth, the 81,000-ton Queen Mary, the 45,000-ton Aquitania, the 36,000-ton Mauretania, four 25,000 tonners, two 24,000 tonners and three 23,000 tonners which can be converted back for peace-time service. On the other hand, the United States has only three large modern liners aggregating 74,000 tons which she can turn back to the shipping race in the post-war years.

How well the British will succeed in maintaining their present favored position remains to be seen. Clydeside shipping circles stated recently that they were planning to build another 80,000 tonner. On the other hand, the News Chronicle reported on December 2 that the United States had commenced construction on seven liners whose immediate use is bound up in the present war but which can be expected to play an important post-war role as a part of the American merchant fleet. Moreover, according to Admiral Emory Land, Chairman of the United States Maritime Commission, it is the ambition of the United States, whose ocean-going merchant ships before the war ranked fourth in tonnage, fifth in speed, and seventh in age as compared with the other merchant fleets of the world, will emerge in 1948 with a merchant marine designed to carry 50 per cent of the United States foreign trade instead of the pre-war 10 per cent.

The reason behind Senator Brewster's exhortations for greater efforts on the part of the United States to win a larger role in the post-war world economy, is, of course, plain. It is not for the purpose of contributing to the sound development of international trade but for the object of ensuring the peoples of the United States in the years to come the benefits of full production and full pay. That is, Senator Brewster and the American industrialists and exporters hope through the expansion of American trade to prevent mass unemployment in the United States which, according to Senator Harry Kilgore, is expected to swell to 18,000,000 in a few years after the end of the present war in the absence of effective measures to keep up the present wartime boom. The reason behind Britain's efforts to expand her export trade is no less different. Both of these countries seek through the domination of international economy the means by which to provide their own peoples the luxuries of life even at the cost of the sweat and toil of the other peoples of the globe.

THE BATTLE OF EMAEL

How the Germans Took an Impregnable Fortification

Early in the present war the Germans took Fort Emael, keystone of the Belgian defense line. This fortress was considered by military experts to be impregnable to direct assault. It might be besieged and at long last starved out; but taken by storm—never. Yet less than 36 hours after the German army crossed the Belgian border its 1400 officers and men filed out of their subterranean fortresses and surrendered. How was this done?

Let us first draw a picture of the fortress itself. It occupied a commanding position on a plateau near the Meuse River and the Albert Canal, controlling the approaches to both. Ultra modern in design, it was flanked by a score of lesser forts scattered over an area about one mile square. These individual works were of steel, armor plate, and reinforced concrete, deeply imbedded in native rock and connected by a system of deep tunnels. Each work had large-caliber guns for blasting the distant approaches, and machine guns for close-in defense. Each one, and the fortress as a whole, was protected by dense barbed-wire entanglements and belts of mines. Belgium was justified in feeling secure behind fortifications anchored on "impregnable" Eben Emael.

But the Germans had been working ceaselessly on the perfection of a new kind of heavily armed assault troops, the Sturmbataillonen Bohm, developed toward the end of the last war. They were familiar with the details of Eben Emael; and very likely their experiments were made on a full-scale replica.

Pushed Across Border

At dawn on May 10, 1940, the German juggernaut pushed across the borders of the Low Countries. Columns of tanks moved ominously through the winding roads of Luxemburg toward Sedan. Parachutists dropped on Rotterdam. Infantry choked the highways. Airplanes filled the skies. Everywhere there was action, everywhere power.

Into this vast scene there moved a certain motorized battalion. A pinpoint lost in the great mass, it had the right of way on all roads leading toward the crossings of the Meuse and the Albert Canal at Maastricht—the back door to Eben Emael. It was a battalion of German engineers—demolition engineers. And it was peculiarly reinforced—for there were also a company of infantry, a battery of anti-tank guns, a battery of small-caliber (20 millimeter) anti-aircraft guns, and a detachment of chemical troops.

This strange outfit was, in effect, a small combat team. First, the demolition engineer—able to handle the deadly pale-yellow trinitrotoluene, TNT. Second, the infantry component—ready to move in, to occupy, and to hold. Third, the anti-tank and anti-aircraft guns—tremendous accuracy and penetrating power. Lastly, the chemcial troops—expert in making smoke and flame.

By nightfall of May 10 the demolition battalion had reached the base of the plateau, atop which lay Fort Eben Emael. Meanwhile dive-bombers had been attacking the fortress since dawn. At noon a flight of transport planes disgorged perhaps 50 parachutists, who took refuge in shell holes and established radio communication with the battalion.

That evening the Belgians no doubt felt shaken but by no means hopeless. The works had been designed to withstand just such punishment, and they were essentially undamaged. The net result of the bombardment had been to blast some of the obstacles, to explode many of the mines, and to pock the terrain with shell holes.

A Mass of Shell Holes

At dawn on May 11, the German engineers began working their way up the slopes. The operation was difficult and hazardous. The Belgian guns were in full action. But for one vital item the attackers must have been swept from the plateau as rapidly as they reached it: that was the bombardment of the morning before—which, while not damaging the works, had left the fields a mass of shell holes. Into these shelters the attackers dived.

Now began the climactic phase of the entire operation: the assault. The immediate objective was to get the engineers up to certain selected works. To protect their advance, flat-firing anti-tank and anti-aircraft guns delivered a pointblank fire against the embrasures, trying to put out Eben Emael's "eyes." The chemical troops blinded adjacent supporting works by smoke. The infantry covered the embrasures with rifle and machine-gun fire and stood ready to move up and consolidate any success the engineers might gain.

There is no minimizing the hazards involved: the losses among the engineers, as they bounded and crawled from one hold to the next, were heavy. These men resembled walking arsenals. Hand grenades—the familiar potato-masher type—were sticking out of the tops of boots and from between the buttons of blouses. Around almost every neck was slung a canvas sack bulging with seven-pound blocks of TNT. Each soldier carried a carbine or a submachine gun. Many pushed or pulled 15-foot lengths of narrow board to which were tied, end-to-end, other blocks of TNT. Others carried 20-foot "charge-placing poles" which looked like elongated bricklayer's hods. Still others lugged flame-throwers. It was a strange and grotesque assembly, but one in which every last detail was the result of innumerable trials.

The boards loaded with TNT were used, as in the first World War, to blast a way through the barbed wire. Each one blew a path perhaps 20 feet wide, and also destroyed nearby mines.

Action Begins

Now began the action to which all that had gone before was simple preparation. The flame-throwers opened up against the embrasures. The engineers fused up their blocks of TNT and from their points of vantage began systematically to demolish the works by detonating the TNT against sensitive parts: embrasures, ports, turrets, joints and doors. Where possible, they placed the charge by hand, set off a delay fuse, and took cover around a corner or in a shell hole. In other cases the charges were given a shorter delay fuse and tossed into embrasures like hand grenades; or they were put in the hod end of a charge-placing pole and pushed into place.

The action which now was going on defies description. The flame-throwers were active, the German anti-tank and anti-aircraft guns continued to fire, the Belgian guns answered. Smoke and flame and crashing detonations—it is doubtful if the history of warfare has ever seen the like. In a few minutes the TNT began to make itself felt. Here an embrasure went out of action, there a turret was jammed. As the Belgian ability to fire decreased, the German engineers multiplied their effectiveness. The Belgian sands were running out.

The action was too violent, the effects too decisive, to continue for long. After several works had been put out of action, the Belgian commander saw the hopelessness of the situation. His great fortress, able to command the approaches to a country, had fallen prey to a band of men armed not with howitzers and cannon but with seven-pound blocks of TNT. Early on the afternoon of May 11 the fortress surrendered.

JAPAN'S INEXORABLE PRINCIPLES

U.S. Advocates Universalism to Cover Up Its Sordid Ambition—British Counter by Proposing Regionalism

By KUSUO OYA
Of the Overseas Department of the Broadcasting Corporation of Japan

I

"The world is too wide politically and too restricted economically." These are the words of our Foreign Minister Mamoru Shigemitsu. Often have I heard these words from him in my numerous interviews with him and heard his explanations about the meaning of his words. The interpretation of this sentence, if I am not mistaken, would be something like this:

"The world is too extensive for the wholesale domination of it by a single Power. On the other hand, the world is too restricted and small for carrying out a closed or exclusive economy by individual nations."

This is what is meant by our Foreign Minister. It seems that the principles of mutual respect for one another's sovereignty and independence and of mutual economic assistance which form the foundation of the Shigemitsu diplomacy are born of such a fundamental conception of the world.

To state the matter from another angle, it may be said that none of the great Powers of the world, such as the United States, Britain, the Soviet Union or Japan and Germany has in possession all by herself any real power which is powerful enough to maintain world order and peace at present. On the other hand, none of these Powers has in her possession any wealth which would be sufficient to carry on self-sufficing economic activities.

Views Correct

That Foreign Minister Shigemitsu's view is correct will be admitted by any candid objective observer of world affairs. Even such countries as the United States, Britain and the Soviet Union, all of which have been considered as great wealthy nations of the world, not to mention Japan and Germany both of which are regarded as "have-nots," will find it difficult to maintain their economic system by economically isolating herself from other parts of the world. However, they may boast of their vast material power of supply, it is clear that neither the United States, Britain nor the Soviet Union will be able to carry out her responsibilities for the maintenance of the world order without the cooperation of others.

Thus, it may be said in truth that the principles of mutual respect for one another's sovereignty and independence and mutual economic assistance are the great premises of world peace. If there be any nation which should seek to carry out policies which are in violation of these principles, that country should be held as a transgressor of these basic principles.

We find such a traitor to world peace in the United States. That she is the arch enemy of world peace has been demonstrated at the recent anti-Axis security conference held at Dumbarton Oaks. This conference was a preliminary conference of the four leading anti-Axis nations called to discuss various postwar security problems. There were two separate conferences held at Dumbarton Oaks, the one following right after the other. At the first conference the participants were the United States, Britain and the Soviet Union, the participants of the second meeting were the United States, Britain and Chungking. The first conference which had been scheduled for a single week was a protracted affair. It adjourned without reaching any definite conclusions even after the lapse of four weeks. The greatest cause of the failure of the Dumbarton Oaks Conference was in the vehement opposition to the United States' arbitrary and egotistic attempt to dominate the conference.

I shall not here go into details of the proceedings of the conference. However, mention must be made of the fact that the United States attempted to advance the principle of universalism; she wanted to see the world as one ruled by four nations.

Reason for Failure

Why was it that this plan failed to secure the consent of other participating members? The greatest reason is found in the fact that these nations did not put trust on the American formula of four-Power world rule. It was too apparent that, while professing to favor the four-Power rule, the United States' real intention was world domination at the expense of others. This was clear from the attitude at the Bretton Woods Conference. Even the other anti-Axis nations perfectly know that behind the veil of the four-Power slogan the United States was hiding her ambition for world domination.

It is well known that Britain has been favoring a security system based on the principle of regionalism which Prime Minister Winston Churchill formally announced about one year and half ago. This is intended as a far-reaching policy on Britain's part in order to defend herself against the increasing pressure from the United States. The Soviet Union, furthermore, realistically realizes the impracticability of universalism under the existing condition of world affairs. As to Chungking, it has been well aware of its inability to work out its destiny under the principle of either universalism or regionalism by its own power alone.

Why is it then that, although in reality the principle of regionalism has been overwhelmingly asserted, the United States alone has been advocating universalism? The reason is very simple. If the United States should recognize regionalism, she will have to admit the abandonment of her right of intervention. On the other hand, if she succeeds in having other nations recognize the principle of universalism, this would mean the strengthening of her theoretical basis for intervention in the affairs of any country in the world.

Herein lies the reason why we say that the United States harbors the inordinate ambition for world domination and that she is a disturber of world peace and traitor of mankind. The United States is now trying to assert her command over the world which, however, is too extensive politically for her single power. This champion of regionalism, that is, of Pan-Americanism and the Monroe Doctrine, has apparently become madly drunk with the great opportunity which the present world war has seemed to open for her to become one day the ruler of the world.

Is then Britain right? Of course, this question has absolutely no connection with Britain's present policy. There is only one thing which is valuable to her and that is the practical means by which she may maintain intact after the war her prewar international position. In consequence, Britain wishes to oppose in a roundabout way the universalism of the United States by means of her policy of regionalism. And when some colonial problem is taken up in connection with such a problem, Britain suddenly assumes a changed air and Prime Minister Churchill would be heard saying: "I did not become His Majesty's first Minister to liquidate the British Empire."

While entertaining an extreme apprehension concerning the American imperialistic ambition of meddling with world affairs under the guise of universalism, Britain wishes to maintain "the unnatural and artificial sphere of influence" which she had established throughout the world by means of her naval and mercantile powers in the past.

It may be said in truth that if the universalism of the United States is regarded as the grimmest form of imperialism, Britain's regionalism may be said to be the reverse side of the same thing. In other words, universalism and regionalism represent different phases of the same imperialism, both embodying sordid ambitions.

Which is more important—the world or the Anglo-American nations? Such a basic question as this is no longer considered by these nations. And although they are driven by such megalomaniac lust for power, they pretend that they are in a position to discuss the problems of postwar security. It is inevitable then that the security they desire to establish would end in the security of themselves alone. They desire to maintain their own security at the expense of all others. It is because of this that their so-called security cannot mean anything but power politics. Thus, it is only natural that the destructive nature of the Anglo-American postwar plans should have been increasingly clarified during the past ten months since the time of the Moscow Conference to the Dumbarton Oaks parley.

Causes of War

We must re-examine the causes of the present world war, especially the War of Greater East Asia. The outstanding fact about the causes of the present war is that it is due not to the conflict of mere interests as in past wars had but due to the frontal collision between the cosmopolitan views of ours and the enemy.

Standing in a corner of the Asiatic Continent which is next only to Africa as a great colonial continent, Japan has tasted all sorts of bitter experiences in maintaining her independence. Especially after the Manchurian Incident has she been standing in the midst of the jealous imperialistic Western nations which were led by the Anglo-American nations and has been laboring to maintain the peace of East Asia. Our anguish and endeavor in maintaining East Asia peace have led to the rise of ideas such as joint solidarity and the common-prosperity area, concepts which today have become a reality. These ideas represent the basic principles of peace and existence.

If one desires to live, one should live together with others. This principle demonstrated at the time of the founding of the Japanese Empire has come to be manifested as a clear-cut policy of Japan after the lapse of 2,600 years. It is the Tripartite Treaty among Japan, Germany and Italy that most aptly expresses the above idea of co-existence. The preamble to this treaty says: "The Governments of Japan, Germany and Italy, considering it as the condition precedent to any lasting peace that all nations of the world be given each its own proper place, have decided to stand by and cooperate with one another in regard to their efforts in Greater East Asia and the regions of Europe, respectively, wherein it is their prime purpose to establish and maintain a new order of things calculated to promote the mutual prosperity and welfare of the peoples concerned."

According to Toshio Shiratori, who actively participated in the work of concluding the Tripartite Treaty as Japanese Ambassador to Italy, the foregoing preamble was contained in a statement which the Imperial Government was preparing to issue to the people of Japan. It was incorporated into the treaty at the request of the German representative who seeing it, believed that it constituted the very spirit of the treaty. (This statement was made by Mr. Shiratori in his speech delivered at the Hibiya Public Hall on September 30, 1944). It may be said that this is truly a Japanese idea which Japan came to form as a result of her many years' pain-staking and laborious contemplation and that it is "the basic idea of peace."

(To Be Concluded)

Seek and Ye

He: "May I have this dance?"

She: "Certainly, if you can find a partner."

AMERICA'S PRESENT AND FUTURE ECONOMY

Mass Unemployment, Depression Seen Inevitable After the War

By GUNNAR MYRDAL

(The following condensed translation of Gunnar Myrdal's book on America's Present and Future Economy is reprinted from the Twentieth Century. A brief summary of this work was recently published in this paper. After Professor Cassel, Professor Myrdal is regarded as Sweden's leading economist and a specialist on American affairs.)

II

The total number of employed in agriculture has not changed, having remained at some 10 millions. Production, however, has increased by about one-third in comparison to the average of 1935-39. This rise is not surprising in view of the fact that the entire prewar agricultural policy was directed at enticing the farmers to reduce production with the aid of subsidies. There has been no increased mechanization. What with increased production and doubled prices, the income of the farmers has been tripled. The rise in food prices is largely responsible for the mounting index of the cost of living. Behind this development stands the farm bloc, which wields great influence within the Congress majority; but by means of wide, skillful publicity the farm bloc has managed not to lose the sympathy of the American people. Indeed, the American farmers have been getting away with murder, as the Americans say.

In my opinion, a serious error was committed in the agricultural policy of the United States when it did not seize upon the chance offered by the war of putting agriculture back on a sound basis. We must bear in mind the fact that large agricultural regions are considerably overpopulated. In the advanced agricultural regions with their almost industrial form of production, American agriculture is at a high level. But the majority of the rural population in America carries on a very primitive form of agriculture. One-third of all the American farmers raise 80 per cent of all marketed products. Among the remaining two-thirds there are many pure proletarians living at an incredibly low standard, especially in the Southern states.

Now the war has presented America with a chance that may never return again to take the poor slaves of the soil from the over-populated proletarian agricultural regions and put them into war production or the Army. America's agricultural production, which hardly depended on the sharecroppers, would not have suffered; moreover, production in general could have been increased considerably by mechanization. But this policy did not suit the large landowners in the South. By influencing legislation and by corrupt application of the laws, they managed to have even unproductive farms declared "war-essential." As a result, the owners or tenants of such farms were exempt, although even experts in the Administration were ruthlessly called to the colors if they happened to be of the right age, and although the shortage of labor represented an obstacle to rearmament that could sometimes hardly be surmounted. What was worst, however, was that these agricultural laborers and small tenants in the South now became entirely dependent on the large landowners, whose whim determined whether they would be called up or not. Thus a new foundation has been laid for that particular kind of American serfdom.

Nothing has been said in America about this scandal in the agricultural policy. The silence is a result of the fear of the reactionary bloc dominating Congress. The retaining of superfluous labor in America's agriculture must one day have an intensifying effect on the great overproduction crisis in world economics which all experts expect to occur once the food shortage of the war and the first few postwar years has been overcome.

The Problem of Readjustment

The most interesting fact about the American boom is that it has remained stable so far, although the phase of investments has long been left behind. The main reasons for the stability of the boom are:

(1) The strong Government demand for war-essential goods;

(2) The centrally directed production and price formation. America's postwar economic problem is: what will happen (1) when the Government demand for war-essential goods gradually diminishes and ceases, and (2) when enforced regulation is replaced by free enterprise?

Outside of Germany and Russia there is no record in history of a boom ever having been stabilized. In a liberalistic-capitalist society a boom is always followed by a crisis and depression. During the thirties America did not even succeed in the more simple task of overcoming a depression, and to stabilize a boom is far more difficult. How can a chaos be prevented?

The Americans themselves are quite optimistic and believe that they will be able to stabilize the war boom in peace time and at the same time to remove the present government control of economics. This optimism is promoted by such organizations as the US Chamber of Commerce. The fact that their endeavors have not been without success is revealed by the polls conducted by Fortune: when America entered the war in 1941, no more than 10 per cent of the population believed in the possibility of escaping widespread unemployment after the war; today, however, 80 per cent of those who are employed are convinced that they will keep their jobs after the war.

I shall attempt to analyze the psychology of this surprising optimism. It is, so it seems to me, a result of the successful carrying out of the production program during the war which has given the Americans an increased self-confidence. Yet this success was only possible with an unlimited purchasing power and an incessant demand. After the war, the situation will change, especially if sound finances are aimed at. To a certain extent, the present mood in America reminds one of the mood of the late twenties when economic circles and, I am ashamed to say, even economists were convinced that there would never be a depression again. The year 1929 showed that all the optimism in the world cannot prevent a crisis.

Postwar Employment

Let us consider the problems one by one and begin with that of employment. When peace is signed, the armed forces—which at the peak of the war absorbed about 11½ million Americans—will be demobilized. Assuming that 2½ millions will remain under the colors, this means that 9 millions will have to be re-employed by peace-time production.

War production will largely be discontinued. Aircraft production will be reduced to perhaps 5 per cent, shipbuilding to 7 to 10 per cent. The manufacture of machine tools during the last three years was on an average ten times greater than during any prewar year. This industry now has a capacity great enough to supply a country like Italy with all its machine tools within six weeks. Today this industry is already working at no more than 75 per cent of its capacity. Even under the most favorable conditions of transport to Russia, China, and countries with a poorly developed industry, it can hardly be assumed that its output will be more than 60 per cent of its present one.

Synthetic-rubber production has been estimated at 800,000 tons for 1944, i.e., two-thirds of the entire world's rubber production before the war and one-third more than the entire annual prewar requirements of the USA. Unless America places an embargo on the import of natural rubber—which would seriously prejudice the interests of the rubber-growing countries—her synthetic rubber production cannot be maintained anywhere near its present level. The output of the steel industry has increased by 80 per cent, so that here, too, curtailments will be necessary. Aluminum production has risen ten-fold since 1938, amounting to 900,000 tons in 1943. Eighty per cent of this production goes to the aircraft industry, whose output we have assumed will decline to 5 per cent. Magnesium production has risen from 2,410 to 300,000 tons. Although an increasing employment of these light-weight metals in civilian production is expected after the war, the quantities involved are not very great.

Let us therefore assume that the demand for labor in the war industry will be reduced by some 5 millions or more, at least 4 millions of which in the aircraft, shipbuilding, steel, and machine-tool industry. On the other hand, the demand for labor in other industries where it declined during the war—paper, textiles, leather, furniture, etc.—will rise, let us say by a million or more. Hence altogether 4 million laborers will have to be discharged. This would mean that, in comparison to the 10 million industrial workers before the war and the 18 millions today, there would be 14 million laborers employed in industry after the war—certainly a very optimistic assumption.

Some 500,000 hands will be released from the transportation system, and another million from the tremendously inflated Administration. Including the 9 million men discharged from the armed forces, there will be a total of 14½ millions looking for jobs. It should be borne in mind that all these figures are based on the assumption that the rest of America's economy will continue at full capacity. Should any unemployment occur in other than the fields named here, the number of laborers without jobs would increase correspondingly.

(To Be Continued)

Foch and Pierre

During the first World War, Marshal Foch's chauffeur was constantly besieged by his comrades with: "Pierre, when is the war going to end? You ought to know."

Pierre tried to satisfy them. "The moment I hear anything from the Marshal, I will tell you."

One day he came to them.

"The Marshal spoke today."

"He did? Well, what did he say?"

"He said: 'Pierre, what do you think? When is this war going to end?'"